



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Jim Doyle, Governor
Jorge Gomez, Commissioner

Wisconsin.gov

Local Government Property Insurance Fund
125 South Webster Street * PO Box 7873
Madison, Wisconsin, 53707-7873
Phone: 608-264-6226 * Fax (608) 264-6220
E-Mail: dan.bubolz@oci.state.wi.us
Web Address: oci.wi.gov

May 1, 2006

Name
Address
City state

Re: Policy #: xxxxxx

Dear Policyholder:

The Local Government Property Insurance Fund is pleased to inform you of an upcoming rate reduction as well as the adoption of amended deductible factors that provide additional premium credits. The Commissioner of Insurance accepted the rating recommendations made by the Fund's Advisory and Oversight Committees using analysis provided by the Fund's actuaries. These revisions, with implementation dates, are as follows:

Effective July 1, 2006, for building and contents rates, the Fund will be adopting Insurance Services Office (ISO) experience loss adjustments that are projected to result in an 8% overall reduction in the rate, on average. Not every policyholder will experience an 8% reduction; some may be higher, others lower. The rate adjustments may vary based on the location of the risk, the type of entity and other factors used by ISO.

Effective for July 1, 2006, for new or renewal business the Fund will adopt the amended deductible factors for Buildings, Contents, and Property in the Open coverages shown on the enclosed chart.

The fiscal impact of the above changes is projected to reduce overall Fund premium for the building and contents line by 14.5%.

If you have any specific policyholder questions on the above changes, please contact Lowell Carter or Sue Hoffman at 1-877-229-0009.

Sincerely,

Dan Bubolz

Danford C. Bubolz, CPCU
Insurance Program Officer
Local Government Property Insurance Fund

Enc.

Deductible Options

Current Deductible Factors Building, Contents and Property in the Open

Deductible	Premium Discount with no Aggregate	Premium Discount with Aggregate
\$500	0.00%	N/A
\$1,000	5.00%	N/A
\$2,500	15.00%	N/A
\$5,000	25.00%	18.00% *
\$10,000	38.00%	32.00% *
\$15,000	45.00%	41.00% *
\$25,000	54.00%	51.00% **
\$50,000	66.00%	65.00% **
\$75,000	N/A	71.00% **
\$100,000	N/A	75.00% **

New – July 1, 2006 Deductible Factors Building, Contents and Property in the Open

Deductible	Premium Discount with no Aggregate	Premium Discount with Aggregate
\$500	5.00%	N/A
\$1,000	11.65%	N/A
\$2,500	24.00%	N/A
\$5,000	33.50%	26.85% *
\$10,000	41.10%	35.40% *
\$15,000	47.75%	43.95% *
\$25,000	56.30%	53.45% **
\$50,000	67.70%	66.75% **
\$75,000	N/A	72.45% **
\$100,000	N/A	76.25% **

* The annual aggregate limits the number of large deductibles to 3 times the stated deductible for those insureds choosing \$5,000; \$10,000 or \$15,000 deductible options. After the aggregate limit is met, subsequent deductibles are \$500 per occurrence.

**The annual aggregate limits the number of deductibles to 2 times the stated deductible for those insureds choosing \$25,000 or higher options. After the aggregate limit is met, subsequent deductibles are \$500 per occurrence.